#### **BEFORE**

# THE PUBLIC SERVICE COMMISSION OF $\sim$

#### SOUTH CAROLINA

DOCKET NO. 92-621-C - ORDER NO. 93-255

MARCH 15, 1993

IN RE: Application of American Teletronics )
Long Distance, Inc. for Authority to ) ORDER
Operate as a Reseller of Intrastate ) DENYING
Long Distance Telecommunications ) CERTIFICATE
Services Within South Carolina.

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of American Teletronics Long Distance, Inc. (Teletronics or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina. Teletronics' Application was filed pursuant to S.C. Code Ann. \$58-9-280 (1976) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed Teletronics to publish a prepared Notice of Filing in newspapers of general circulation in the affected areas one time. The purpose of the Notice of Filing was to inform interested parties of Teletronics' Application and the manner and time in which to file the appropriate pleadings for participation in the proceeding. Teletronics complied with this instruction and provided the Commission with proof of publication of the Notice of Filing.

Petitions to Intervene were filed by Southern Bell Telephone & Telegraph Company (Southern Bell) and the South Carolina Department of Consumer Affairs (the Consumer Advocate).

A hearing was commenced on February 24, 1993, at 2:30 p.m. in the Commission's Hearing Room. The Honorable Henry G. Yonce, Chairman, presided. Caroline N. Watson, Esquire, represented Southern Bell; Carl F. McIntosh, Esquire, represented the Consumer Advocate; and Gayle B. Nichols, Staff Counsel, represented the Commission Staff. Teletronics was not represented by counsel.

After full consideration of the applicable law, the Application, and all of the evidence, the Commission hereby issues its findings of fact and conclusions of law.

### FINDINGS OF FACT

- 1. Teletronics was incorporated in the State of Illinois in 1990. Teletronics proposes to resell the interexchange telecommunications services of facilities-based carriers on an interLATA basis within the State of South Carolina. Teletronics does not intend to manage, own, or construct its own switching facilities or other equipment.
- 2. According to the balance sheet submitted with its Application, as of June 30, 1992, Teletronics had current assets of \$1,495,897 and current liabilities of \$2,979,970. In addition, the balance sheet indicated Teletronics' retained earnings showed an accumulated loss of \$3,038,947 and, for the first six months of 1992, a loss of \$1,007,997.

## CONCLUSIONS OF LAW

- 1. Based on the above findings of fact, the Commission determines that Teletronics' Application for a Certificate of Public Convenience and Necessity should be denied. The Commission concludes that the Company is in a poor financial condition. From a review of the submitted balance sheet, it is clear that Teletronics' current assets are insufficient to meet its current liabilities. Furthermore, the Company has a continuing history of losses. Accordingly, because of its concerns about Teletronics' financial stability, the Commission denies the Company's Application.
- 2. This Order shall remain in full force and effect until further Order of the Commission.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)